

hundred and ninety-seven dollars and thirteen cents; the gross amount on spirits distilled from domestic materials, and on country stills, one hundred and seventeen thousand five hundred and fifty-six dollars and ninety-seven cents; the gross amount of spirits distilled from foreign and domestic materials, three hundred and forty-seven thousand three hundred and fifty-four dollars and ten cents; the gross amount of drawbacks allowed, eighty-nine thousand and fifty-one dollars and seventy cents; the total expense of collection, forty-two thousand and fifty-seven dollars and forty eight cents; the whole nett amount of duties, two hundred and seventeen thousand two hundred and eighty-five dollars and eight cents.

The other statement respects the number of officers employed in the collection of the aforesaid revenue, which has reference to a date within the same periods of time.

It is presumed that the number of officers employed in that service, has varied materially since that time to which the report relates, but there are no documents, at this time, in the treasury, from which the precise number can be ascertained at the present time. It is, however, in the contemplation of the treasury, to direct a return of the number and names of all the officers employed in that service, on some certain day between this time and the next meeting of Congress.

The committee are of opinion that more accurate information upon the subject of the internal revenue will be important to future legislative proceedings, and, therefore, recommend the following resolution:

Resolved, That the Secretary of the Treasury be directed to lay before the next Congress, such a statement of the internal revenue as will ascertain, with precision, the nett product thereof, and the expense of collection; and that he also report a list of all the officers employed in that service, and the compensations allowed to each of them.

4th CONGRESS.]

No. 84.

[1st SESSION.]

MINT.

COMMUNICATED TO THE SENATE, DECEMBER 14, 1795.

DEPARTMENT OF STATE, *December 14th*, 1795.

SIR:

By the direction of the President of the United States, I have the honor to enclose, to be laid before the House of Representatives, the reports of the late and present Director of the mint; exhibiting the state of that establishment, and shewing the necessity of some further legislative provisions, to render it more efficient and secure; and am, most respectfully,

Sir, your obedient servant,

TIMOTHY PICKERING.

The SPEAKER of the House of Representatives of the United States.

MINT OFFICE, *October 27th*, 1795.

DEAR SIR:

The law, establishing this office, having placed it more immediately under your guidance, I deem it a duty to lay a state of its past operations and actual situation before you, at the moment of my resigning its direction. The enclosed document, marked A, will shew the quantity of copper which has been coined and sent into circulation, from the mint. The whole of this coinage was accomplished by my predecessor, Mr. Rittenhouse. The enclosed documents, marked B and C, will shew the quantity of the precious metals which have been worked up and coined; partly under the direction of Mr. Rittenhouse, partly under mine. The gold, wholly under mine.

It may, possibly, appear to those who have not taken pains to inform themselves of the difficulties to be encountered in the formation of new establishments, that little has been done; but a short review of the embarrassments which occurred, will shew, that as much has been done as could reasonably be expected, in the infancy of this establishment. In the first instance, it was exceedingly difficult to procure workmen, in any degree acquainted with the various kinds of work to be performed. Indeed, most of the workmen have been formed in the mint, and have only recently attained that skill and facility in their several walks, which practice alone can give, but which is essential to the despatch of business. Much difficulty occurred in obtaining the very tools and implements necessary for the operations of the mint; and most of them have been prepared under the immediate direction of the officers, and particularly Mr. Voight, the coiner.

Great delays were incurred in obtaining the heavy iron-work, particularly the rollers; and these were not always fit for use, when obtained. Those which are now in use being almost worn out, I have been striving to replace them with the fine Andover iron.

One unsuccessful attempt has been made for us at an air furnace; and yet it remains to be tried, for it can be accomplished without recurring to the tedious and expensive method of making them of wrought iron converted into steel.

More than once, as I have been informed, the operations have been suspended, for want of dies, which the industry of the engraver could not supply fast enough for the presses. A happier selection of steel, aided by more skill in hardening the dies, has remedied this evil, and the engraver is now enabled to supply the mint with dies of every kind, in advance. To these causes of delay, must be added, that the greatest part of the bullion which has been brought to the mint for coinage, has been below our standard, and required the tedious operation of refining; or the precious metals have been brought melted up together, and required the more tedious operation of separation; operations which, I understand, are never performed at any other mint, and which the diminutive scale on which ours is formed, but illy qualified it to perform. These are some of the difficulties which occurred. Most of them had been vanquished by the judgment of my able and very respectable predecessor, whose mechanical genius and powers of calculation, seem to have been essential to the organization of the establishment. The remainder, I have endeavored to subdue; and I am now free to say, that the mint, even on its present contracted scale, if regularly supplied with the precious metals, of the legal standard, will be adequate to the coinage of 1,500,000 dollars, annually, in silver, and as much in gold; and, that a small increase of the labor and expense, will produce as much of the copper coinage, as will be requisite for the use of this country. I venture this assurance, upon my view of its operations upon a late deposit of silver, vigorously urged for a few weeks. The gold coinage was carried on at the same time, to a small amount, and might have been to a much larger, if there had been any bullion in a state fit for coinage. All the gold, and almost all the silver, within a mere trifle, in a state actually fit for immediate coinage, has been coined and delivered.

It will be proper for me to state to you, what I have before stated to the late Secretary of State, and the present Secretary of the Treasury, that there is no copper in the mint fit for coinage. There are, indeed, considerable quantities of clippings of the copper, which are reducible into ingots, and would, when rolled, be fit for use; but the mint is so illy prepared for these operations on that metal, whilst occupied in the coinage of the precious metals, that it

would be advisable for the Government to apply these clippings, and some other masses of copper in possession of the mint, to some other purposes, and to exchange therefor, some of the sheet copper it possesses, or to purchase sheet copper for the coinage. The price of copper having risen considerably, from causes which, it is said, will be operative for some length of time, if not permanently, it has been suggested that it would be useful to diminish the weight of the cent, as the copper would, thereby, be brought nearer to its proportionate value to silver, and might prevent its being worked up by the copper smiths. The law seems to have contemplated the possibility of such an arrangement being proper, by giving you the power to make the alteration.

It is important to inform you of what I have before mentioned to the heads of Departments above named, that the standard of the silver coin, in use at the mint, differs from the standard fixed by law. The law establishing the mint, fixes that the silver coinage should contain 1485 parts of fine silver to 179 parts alloy, or 10 oz. 14 dwt. 5 gr. of fine silver, to 1 oz. 5 dwt. 19 gr. alloy.

Before my operations commenced under this law, it was supposed by the best informed men that this standard was too low; would debase the coin too much; and was inconvenient in other respects; and it was presumed that an alteration would be made, which was recommended by its propriety and correctness. The alteration contemplated went to the establishment of a standard, which required that nine parts in ten should be fine silver, the other tenth alloy, or, 10 oz. 16 dwt. fine to 1 oz. 4 dwt. alloy, in the pound Troy. Upon the presumption of such an alteration, I understand the coinage was commenced in October, 1794, and the matter was submitted in the winter to a committee of Congress, who reported on the propriety of the alteration. By some means, that part of the report on the mint, which related to the standard, after passing one branch of the Legislature, did not pass the other. Still, however, the coinage was continued on the principle it was commenced. It being represented to me, when, soon after my coming into office, I observed the fact, that some mistake alone had prevented the change by the Legislature, I did not feel myself qualified to alter the standard which I found in use in the mint, under the weighty sanctions of Mr. Rittenhouse's authority, and the report of a committee of the Legislature. I am thus particular in stating this business, as it is of high importance that the law should be altered, or that the standard should be accommodated to the law.

Permit me, sir, to suggest the necessity of protecting laws for the coinage. I understand that none of the laws of Congress have provided any penalties for the various offences which may be committed against the coinage. In most countries, strict laws are enacted, prohibiting the interference of individuals in this attribute of the sovereignty; and, in some, the very possession of dies, or presses, or other implements essential in the coinage, is made criminal. In this country, mints are said to be boldly erected at Baltimore, and elsewhere, professedly to imitate the coins of foreign countries, and to furnish a debased gold coin for the West India markets; and so much of the gold bullion which would be brought to the national mint, is carried to these private establishments, which degrade our national character. Encouraged by this negligence of Government, men have carried their ideas farther; and there is too much reason to fear, that a recent attempt on our dies and other implements was made with nefarious views.

Amongst the unpleasant circumstances which attend the contracted scale on which the mint has been erected, there is one of very serious import. The owner of a small lot adjoining the mint, has a right of passage through the interior of the lots of the mint. This exposes the works to improper intrusion, and prevents that complete control over the workmen, which is essential to the well ordering of the business. A small sum of money would have purchased that lot some time ago. I believe it may still be had, reasonably.

I feel it a duty to warn the Government of the propriety of putting itself in a situation to replace the assayer, if that measure should become necessary. The time of his engagement with Mr. Pinckney has almost expired, and he is forming works, in connexion with other persons, for carrying on business on his private account. Probably, he may not choose to remain in the public service at the expiration of that time. Possibly, it might be inexpedient to allow the assayer of the mint to be connected in works which bear some relation to the coinage, or to the preparation of the metals for coinage. At least, some check should be provided.

Permit me to suggest, that it might be useful to publish a short statement of the operations of the mint, and of its actual prepared state to carry on the coinage of the precious metals, to a considerable amount. It might satisfy the public mind, and might, also, lead to the production of considerable quantities of bullion, which are said to be in the hands of individuals in the United States, who are unadvised of the facility and certainty with which they may now have bullion coined.

I must entreat your pardon for intruding so long on your time. It appeared to me important to lay this information before you.

I am now prepared to deliver up the direction of the mint to my successor. It only remains for me to thank you, in all sincerity, for your confidence in the unsolicited bestowal of this office on me, and to assure you that I have endeavored to deserve it.

Allow me to hope that you will be persuaded that I am, sir, with the truest and most affectionate attachment and respect, your obedient servant,

HENRY WM. DE SAUSSURE.

The PRESIDENT of the United States.

MINT OF THE UNITED STATES, December 3, 1795.

The Director of the mint, in obedience to the President's commands, makes the following report relative to the mint of the United States hoping that the short time of one month, which he has had to make himself acquainted with the present state of it, will apologize for any inaccuracies that appear therein.

On entering on this service, the Director found that the united exertions of the several officers had been engaged to complete as many coins of the precious metals as circumstances would permit, by which the state of their accounts relative to deposits had been delayed. It became a prudent measure on the part of the new Director, and one absolutely necessary to the future conducting the department with propriety, to insist on an immediate close of all accounts relative to the precious metals, from the first establishment of the mint.

The many difficulties attending this process put a stop to any farther coinage, excepting as to what was then in hand. The accounts of those metals are now nearly brought up, and in a few days will be finished.

Every previous step was preparing for a vigorous and systematic renewal of the coinage, when the sudden and unexpected death of the assayer, Mr. Albion Cox, on Friday last, by an apoplectic fit, deprived the mint of an intelligent officer, essentially necessary to the future progress in the coinage of the precious metals. Until this officer is replaced, the business at the mint must be confined to striking cents only.

The Director has endeavored to avail himself of the temporary cessation of full business, to prepare a system of rules for conducting the mint in future, in all its branches, which shall be reported to the President in a few days, and which will be, hereafter, carried into execution, if it should meet with the President's approbation. Future experience will improve it, by such additions and alterations as practice will discover to be necessary.

The issues of the mint, from its first establishment to this day, as collected from the register kept for that purpose, consist of

Eagles,	-	-	-	-	-	-	-	-	-	2,795
Half Eagles,	-	-	-	-	-	-	-	-	-	8,707
Dollars,	-	-	-	-	-	-	-	-	-	204,791
Half dollars,	-	-	-	-	-	-	-	-	-	323,144
Half Dimes,	-	-	-	-	-	-	-	-	-	86,416
Cents,	-	-	-	-	-	-	-	-	-	1,066,033
Half Cents,	-	-	-	-	-	-	-	-	-	142,534
Total in Dollars,	-	-	-	-	-	-	-	-	-	453,541 80

There are not, to the knowledge of the Director, any protecting laws yet enacted, securing the coinage, by proper penalties, against those (other than persons concerned in the mint) who may counterfeit, debase, clip, or otherwise lessen the value thereof, with intent to defraud.

The interference of individuals with so necessary a branch of the Executive Government as that of coining money, by setting up coining presses for imitating foreign coins, should be prevented by law, if either the national honor, or the success of the mint, are to be objects of public attention: the one is injured in foreigners being imposed upon by an imitation of foreign coins of a reduced weight, and, perhaps, wanting in standard purity; the other may be deprived of all the bullion thus wrought up at these irregular presses.

The stealing of the dies, hubbs, milling-stamps, screws, presses, or other instruments used in the coinage, as well as the taking, receiving, adulterating, or secreting, the metals kept in, or belonging to, the mint, call for special provision from the Legislature of the United States. The Director is sorry to say, that his observations are justified by facts that have already happened at the mint. The laws of the several States are not particularly adapted to these objects, so as to guard against these evils—a mint having never been taken into their contemplation.

This opportunity ought not to be lost, of urging the propriety of prohibitory laws against any person concerned in the mint, either as an officer or workman, being engaged, directly or indirectly, in buying or selling of bullion, gold, or silver, or a mixture of either with other metals, on his or their private account. The checks provided for security against imposition, will be in vain, if the property of the precious metals assayed and coined at the mint may be vested in the persons who have the charge thereof, in its passage through the mint.

The same reasoning will equally show the impropriety of any officer or workman, engaged in the mint, being allowed, by himself, or in company with others, to be concerned, directly or indirectly, in works of a similar nature, on their private account, or in any such works wherein metals are melted, refined, rolled, or otherwise prepared, so as to be fit for coining.

To remedy some of these evils, it would be a measure highly advantageous to the United States, and very beneficial to depositors, if some proper person was authorized to purchase, on public account, all small quantities of silver and gold, brought to the mint, at the best market price, to be coined for the public treasury.

It has been the opinion of former officers of the mint that the legal standard for silver should be reconsidered; and the Director, on coming into office, found, that, for some special reasons, the standard of coins, heretofore completed, varied, in a small degree, from that established by law. Whatever force those reasons may have with the Legislature, the Director did not think himself justifiable in permitting so important a measure to be continued, without legislative sanction; he has, therefore, issued orders, that, in future, the precise terms of the act of Congress, in this respect, should be observed; but as the coinage is, at present, in a state of suspense, it may be a proper time to review the alloy directed by law, as the alteration, if found necessary, could now be adopted, without injury to any one.

The act of Congress directs that the alloy of gold shall be of silver and copper, not exceeding half silver. The practice, at the mint, has been to form the alloy of copper, with the smallest portion of silver, so as barely to comply with the words of the law. The silver contained in the law is an entire loss to every body, without answering the least valuable purpose. It is said not to mix so intimately and freely with gold as copper does, neither will it equally add to the hardness of the coin; at the same time, it is a heavy increase of the annual expenses of the mint. This regulation of part silver in the alloy of gold, it is said, may be repealed with great propriety.

These appear to the Director to be the principal points relative to the mint, demanding the President's immediate attention. As to the practice in detail, whatever has been found by experience to need checks, or alterations, and has come to the Director's knowledge, and which he could remedy, without troubling the President, he has endeavored to incorporate into the system of rules herein before referred to.

All which are respectfully submitted.

ELIAS BOUDINOT, *Director.*

A.

A statement of the species and value of copper coin, delivered at sundry times by the Chief Coiner of the Mint, to the 30th September, 1794, as appears by the books of the Treasurer of the Mint.

Cents.	Half cents.	Value in dollars.
908,012	116,934	9,664 79

B.

A statement of the species and value of silver coins, delivered by the Chief Coiner of the Mint, from October 15th, 1794, to October 24th, 1795, inclusively, as appears by the books of the Treasurer of the Mint.

				Value in dollars.
From 15th October, 1794, to 30th June, 1795,	-	68,169	323,144	20,856
From 1st July, 1795, to 24th October, 1795,	-	136,622	-	31,660
Total,	-	204,791	323,144	52,516
				368,988 80

C.

A statement of the species and value of gold coins, delivered by the Chief Coiner of the Mint, from July 31st, to October 24th, 1795, inclusively, as appears by the books of the Treasurer of the Mint.

Eagles.	Half eagles.	Value in dollars.
1,884	8,707	62,375

4th CONGRESS.]

No. 85.

[1st Session.

ESTIMATES FOR 1796.

COMMUNICATED TO THE HOUSE OF REPRESENTATIVES, DECEMBER 14, 1795.

TREASURY DEPARTMENT, December 14th, 1795.

SIR:

I have the honor to present, herewith, a report and estimates of the appropriations which appear to be necessary for the service of the year 1796, and for other purposes; also, statements in relation to the expenditure of certain sums, heretofore appropriated.

I have the honor to be, with perfect respect, sir, your most obedient servant,

OLIVER WOLCOTT, Jr. *Secretary of the Treasury.*

The Hon. the SPEAKER of the House of Representatives.

The Secretary of the Treasury respectfully reports to the House of Representatives:

That, for the service of the year 1796, and for making good deficiencies in former grants, the following appropriations, as detailed in the estimates herewith transmitted, appear to be necessary:

For the civil list, or the support of Government, including the incidental and contingent expenses of the several departments and offices, the sum of	-	-	-	-	\$485,971 12
For the payments of annuities and grants,	-	-	-	-	3,157 73
For the support of the mint establishment,	-	-	-	-	52,464 00
For the support of light houses, beacons, buoys, and public piers,	-	-	-	-	24,000 00
For satisfying certain miscellaneous claims and expenses,	-	-	-	-	33,672 09
For the Department of War, comprising the following general objects of expenditure:					
The support of the army, including the expenses in the clothing, hospital, ordnance, quartermaster, and Indian departments, the defensive protection of the frontiers, contingencies, and the improvement and completion of sundry fortifications,	\$1,480,247 00				
The naval department,		73,934 00			
The payment of military pensions,			85,098 00		
Total estimate for the War Department,					\$1,639,279 00
Amounting, together, to					\$2,238,543 94

In addition to the said estimates, the following sums are stated, on the presumption that laws authorizing the expenditure will be passed, during the present session of Congress:

For defraying the expenses of the intercourse of the United States with foreign nations,	-	-	\$40,000 00
For defraying the contingent expenses of the Government of the United States,	-	-	20,000 00
For the compensation of clerks in the several loan offices, and for books and stationary,	-	-	14,000 00
Amounting to			\$74,000 00

The funds out of which appropriations may be made for the purposes before mentioned, are, 1st. The sum of six hundred thousand dollars of the proceeds of duties on imports and tonnage, which will accrue in the year 1796, which sum is annually reserved for the support of Government, by the act, entitled "An act making provision for the debt of the United States;" and 2d. The surplus of revenue and income which will accrue to the end of the year 1796, after satisfying the objects for which appropriations have been heretofore made.

Subjoined to this report, is a statement, marked A, which exhibits a prospective view of the revenue and expenditure of the United States, for the ensuing year, by which it satisfactorily appears, that the proceeds of the duties on imports and tonnage, and on domestic distilled spirits, and on stills, will be adequate to the discharge of the appropriations already made, including the reimbursement of the domestic stock, bearing a present interest of six per cent.; and also, to the payment of the sums contained in the estimates, now presented, for the current service.

But, as a great proportion of the revenue arising from imports, is subject to long credits, the customary anticipations, by means of loans, will continue to be necessary.

In addition to the sums charged upon the revenue, arising from imports and tonnage, and domestic distilled spirits, and stills, there are other debts of the United States which will fall due in the year 1796, and for which provision is necessary.

The following are of this description:

A loan had of the Bank of New York, pursuant to an act passed on the 20th of March, 1794, for	-	\$200,000 00
An instalment of a loan of 800,000 dollars had of the Bank of the United States, pursuant to the same act,	-	200,000 00
Amounting, together, to		\$400,000 00

The interest of the loans before mentioned is fully secured by the existing revenues, but there is no authority to reimburse the principal, except from the proceeds of the duties upon carriages for the conveyance of persons, licences for selling wines and foreign distilled spirits, snuff mills, refined sugar, and property sold at auction. The present state of these revenues does not justify a reliance that they will be sufficiently productive, in the year 1796, to admit of the reimbursement of the debts with which they are charged. The alternative which offers, is, therefore, either an appropriation of other revenues, or a payment from the proceeds of new loans.

If it were certain that the exigencies of the United States would not require appropriations beyond the sums at present contemplated, and that the revenue would equal the estimates, a sum sufficient to cover any deficiency of the appropriated revenues, might be safely charged upon the duties arising from imports and tonnage; but, in the actual state of uncertainty which necessarily exists, it is deemed expedient to keep in view the auxiliary resource provided by the tenth section of the act, entitled "An act making provision for the support of public credit, and for the redemption of the public debt."

The following sums will, moreover, be required, in the year 1796, for the payment of which, the laws contemplate no provision, except the proceeds of certain loans, which are authorized by the act last recited.